

Guidance Document: 76-37
DEPARTMENT OF HEALTH PROFESSIONS - DIRECTIVES

DIRECTIVE NO.: 5.11

EFFECTIVE: 6-01-05

SUPERSEDES: _____

APPROVAL: _____

5.11 Distribution of Controlled Substance Registration (CSR) Funds

Purpose: To set forth the agency's policy regarding the distribution of monies collected from designated licensees who were required to pay a fee to obtain a Controlled Substance Registration.

Policy: It is the policy of the Department of Health Professions to continue to use the residual CSR funds, until such time as the funds are depleted, for the prevention of indiscriminate and inappropriate prescribing of controlled substances, and for the investigation and adjudication of alleged violations of controlled substance laws and regulations. This will be accomplished through two means.

The first is through the Prescription Drug Monitoring Program (PMP). Established pursuant to legislation enacted in 2002 (Chapter 481, 2002 Acts of Assembly) and expanded pursuant to legislation enacted in 2005 (Chapter 637, 2005 Acts of Assembly), this program is intended to help reduce indiscriminate and inappropriate prescribing of controlled substances through mandatory reporting by pharmacies throughout the state. A total of \$300,000 is hereby set aside for the PMP.

The second means for expending the remaining CSR balance (\$755,003 as of June 30, 2004) is through the reimbursement of costs incurred by the Department for the investigation and adjudication of allegations related to possible violations of laws or regulations governing the administration and prescribing of Schedule II through V contracted drugs. This reimbursement will be accomplished by dividing the amount (\$755,003) remaining after the PMP set-aside between the Boards of Medicine, Dentistry, and Veterinary Medicine based on the relative number of prescribers (doctors of medicine, osteopathy, podiatry, veterinary medicine, and dentistry) licensed in 1996 (the last year the CSR fee was required).

Procedures:

1. Management of the funds will be through the agency's cost code structure. The \$300,000 allocation for the Prescription Drug Monitoring Program will be transferred to the PMP cost code upon approval of this directive. Expenditures of the monies will be tracked through that cost code.

Guidance Document: 76-37
DEPARTMENT OF HEALTH PROFESSIONS - DIRECTIVES

DIRECTIVE NO.: 5.11

EFFECTIVE: 6-01-05

SUPERSEDES: _____

APPROVAL: _____

2. The remaining portion (\$755,003) shall be transferred upon approval of this directive to the Boards of Medicine, Dentistry, and Veterinary Medicine based on the relative number of prescribers (doctors of medicine, osteopathy, podiatry, veterinary medicine, and dentistry) licensed in 1996 (the last year the CSR fee was required). The amounts transferred will be:
 - a. Medicine: 77.28% \$583,431
 - b. Dentistry: 14.97% \$113,029
 - c. Veterinary Medicine: 7.75% \$58,540
3. Using the time-keeping systems currently in use by the Enforcement and Administrative Proceedings Division, periodic reports will be run to determine the number of investigative and adjudication hours spent on drug-related cases involving prescribers. These reports will be used to calculate Enforcement's and APD's costs related to those cases, until such time as the total cost incurred by Enforcement and APD on those cases reaches \$755,003.

For purposes of this directive, "drug related cases" shall mean those cases with a complaint category in License 2000 of one or more of the following:

- Drug Related – Excessive Prescribing or Dispensing
- Drug Related – Security
- Drug Related – Obtaining Drugs by Fraud
- Standard of Care – Medication or Prescription Related